

# Utah League of Cities and Towns

Business and Labor Interim Committee

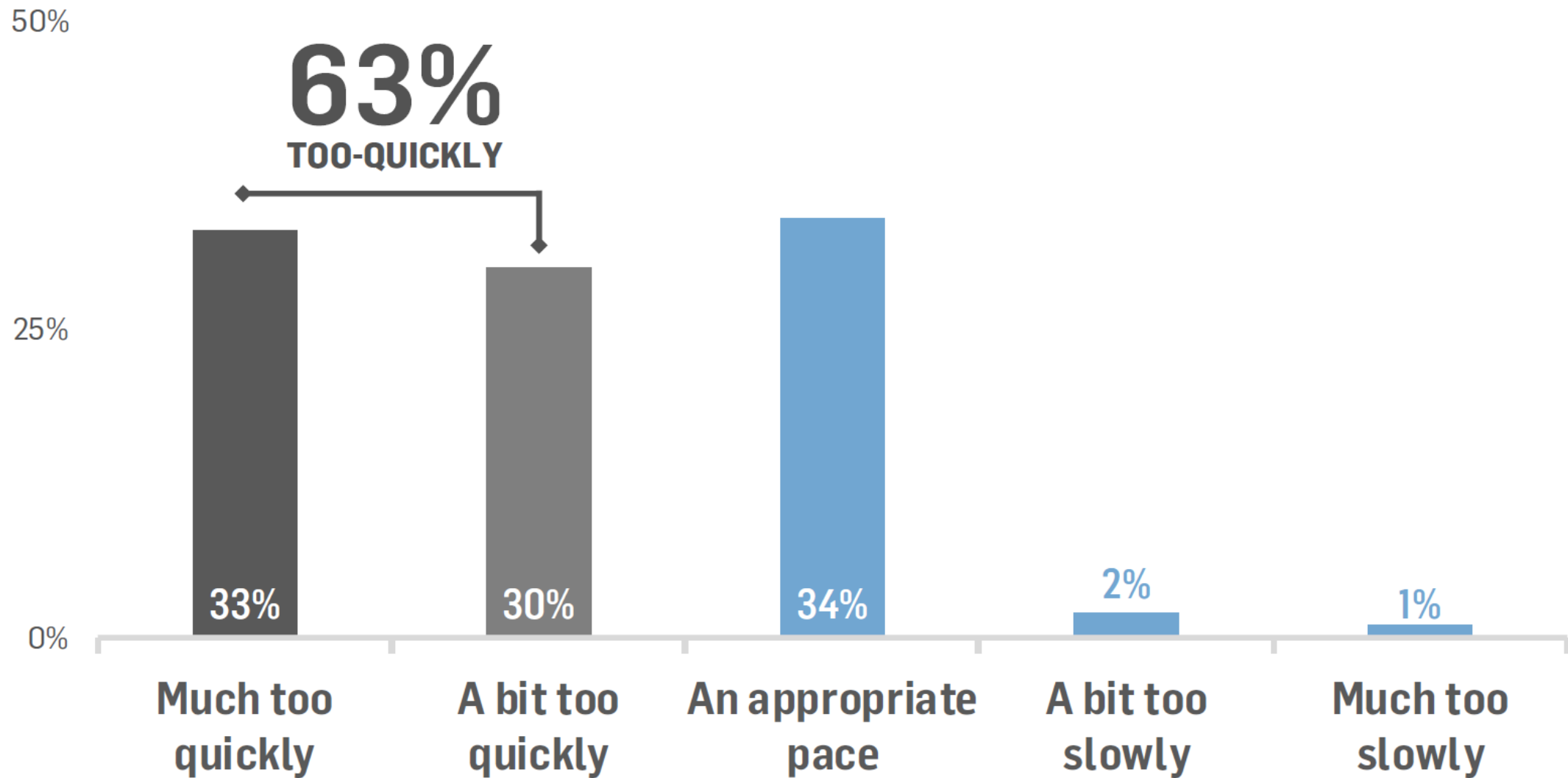
August 18, 2020



# Senate Bill 34 (2019)

- Enacted in March of 2019
- Required 82 cities to adopt strategies to comply with new moderate-income housing plan requirements by December 1, 2019
  - 3-4 of 24+ strategies for mitigating housing costs
- Requires reporting on implementation of those strategies to DWS by December 2020.
- Adopting and modifying ADU ordinances was one of the most popular of the 24+ strategies.
- 3 most popular strategies: increasing density around transit, increasing density in mixed-use zones, and ADUs

## FEELINGS ABOUT PACE OF GROWTH IN OWN CITY OR TOWN



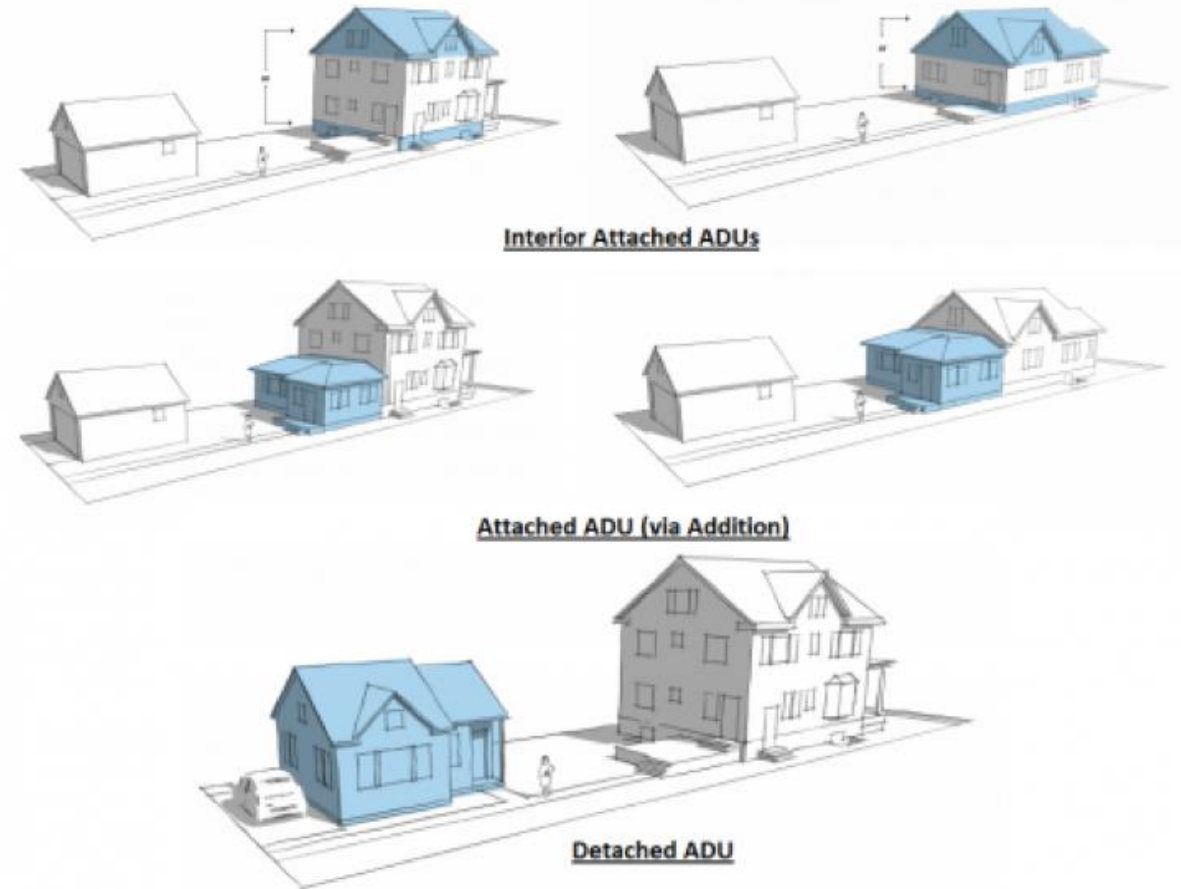
ADU's can blend density into existing neighborhoods and potentially utilize existing housing stock & infrastructure.



# What ~~is~~ isn't an ADU?

## Utah Code Annotated, 17-27a-103(1)

“Accessory dwelling unit” means a habitable living unit added to, created within, or detached from a primary single-family dwelling and contained on one lot.





# ADU Examples



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# Different ADUs = different impacts



## Ordinance considerations:

- Safety for inhabitants/building code compliance
- Health, safety, welfare in the neighborhood
- Infrastructure size, age, and access
- Relative building size
- Privacy of inhabitants and neighbors (setbacks)
- Traffic and off-street parking availability
- Owner residing on-site v. absentee landlord (property tax exemption)
- Combined or separate utilities
- Long-term rental (housing stock) or short-term rental (hotel lodging)
- Fairness for current landlords



# Some common regulations



- Allow 1 ADU per lot
- Require owner occupied primary residence
- Base zoning often determines building height, setbacks, and lot coverage
- Many ordinances set maximum size as a percentage of the primary dwelling (often 30-40%)
- Off-road parking usually required
- Compliance with building and fire code
- Majority of cities that permit ADUs allow them in 75%+ of residential zones

# Building & Fire code compliance/zoning/state code



- Attached ADUs must have at least a 1 hr firewall separation between the units
  - Functional equivalent of a duplex
- Separate ventilation systems
  - COVID-19, smoking, kitchen/food preparation areas, etc.
- Fire ingress/egress in bedrooms
- Unrelated persons limit (3 in college towns, 4 in others)

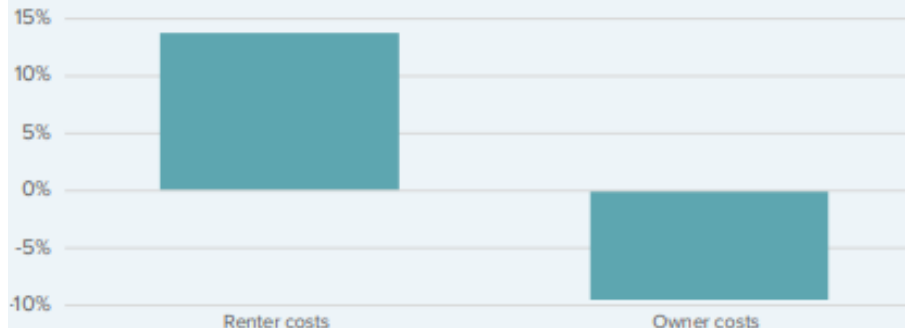


# Why the slow uptake?

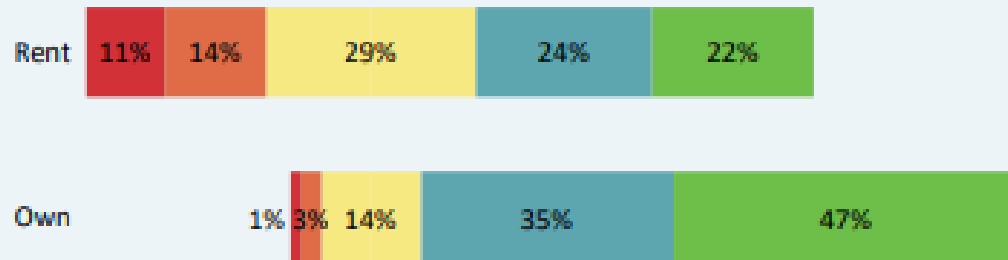
- Cost for property owner – retrofitting current dwellings and construction of new ADUs are subject to the same market conditions (high material costs and labor shortage) as new housing construction.
- Most current homeowners are not housing cost incumbered. Limited incentive for many to invest in costly upgrades.

Utah homeowners' inflation-adjusted monthly costs have decreased since 2007, while renters' costs have increased.

Figure A: Change in Monthly Renter and Homeowner Costs<sup>§</sup>, between 2007 and 2017, Adjusted for Inflation



82% of those who own their home consider their housing personally affordable while only 46% of renters do.



Utah Foundation - <https://www.utahfoundation.org/uploads/rr758.pdf>

